follow-up of credit limits sanctioned with emphasis on staff accountability for lapses, if any. The Bank has not finalised its views so far.

**Recovery of Customs Duty on Fodder Machines Imported by Sanjeevani Fodder Production (P) Limited**

*53. SHRI PRAMOD MAHAJAN.
SHRI KRISHAN LAL SHARMA

Will the Minister of FINANCE be pleased to state:

(a) what progress has been made in the matter of recovery of customs duty under the order of Collector of Customs, Madras dated 12th February, 1990, of about Rs. 3.4 crores leviable on the fodder machines, in respect of M/s. Sanjeevani Fodder Production (P) Limited under the provisions of Customs Act, 1962;

(b) what is the amount of penalty proposed to be imposed on the concerned firms and persons and the number of fodder machines likely to be confiscated;

(c) whether those involved in the case have been identified, if so, what are the details in this regard; and

(d) what preventive steps are being envisaged for future?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): (a) to (d) In this case Show Cause Notice was issued on 12th February, 1990 to the persons whose names are given in the enclosed Annexure for the recovery of Customs duty of about Rs. 3.4 crores leviable on the fodder producing units imported by M/s Sanjeevani Fodder Production Pvt. Ltd., confiscation of 57 machines worth Rs. 10.8 crores approximately as well as imposition of penalty on the concerned firms/persons. The case is being adjudicated by the Collector of Customs, Madras in quasi-judicial proceedings. The quantum of penalty to be imposed on each of the concerned persons/firms is the discretion of the adjudicating authority. Replies of some of the concerned persons are awaited since they have sought inspection of documents and also asked for copies of these documents. The enforcement agencies of the Customs department remain alert against such offences.

ANNEXURE

1. M/s Sanjeevani Fodder Production Pvt. Ltd.,
2. M/s Fometa India Machines Pvt. Ltd.,
3. M/s Bharat Krishak Samaj (BKS)
4. Shri John R. Brady, Director, M/s Sanjeevani and M/s Fometa
5. Shri George Monteiro, Director, M/s Sanjeevani and M/s Fometa
6. Shri Dinesh Dubey, Director, M/s Sanjeevani and M/s Fometa
7. Shri T. C. Abraham, Director, Sanjeevani and M/s Fometa
8. Dr. J.R. Taneja, Director, Sanjeevani and M/s Fometa
9. Mrs. Radhika Gabardi Este, Director, M/s Sanjeevani and M/s Fometa
10. Shri William Philip, Director, M/s Sanjeevani and M/s Fometa
11. Shri K. Prabhakar Reddy, Executive Chairman, B.K.S.
12. Shri R. N. Gaur, Director, M/s Sanjeevani
13. Shri R. P. Udawat, Director, M/s Sanjeevani
14. Shri C. M. Mathews, Director, M/s Sanjeevani and M/s Fometa
15. Shri Bruno Galardi, Director, M/s Fometa
16. Shri Antonio Santavia Bernadez, Director M/s Fometa
17. Shri Hussin Dalawai, Director, Sanjeevani
18. Director, Directorate of Agriculture, Jaipur
19. Director, Indian Grassland and

Fodder Research Institute, Jhansi

20. Director, Indian Veterinary Research Institute, Bareily

21. Director, Exotic Cattle Breeding Farm, Chamoli, U.P.

**Production of Steel by Private Steel Plant under the Liberalised Steel Policy**

*54. SHRI CHATURANAN MISHRA: SHRI GURUDAS DAS GUPTA:

Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Steel Policy has been liberalised allowing private steel plants to produce upto one million tonnes of steel; and

(b) if so, what are the details thereof?

THE MINISTER OF STEEL AND MINES WITH ADDITIONAL CHARGE OF THE MINISTRY OF **LAW** AND JUSTICE (SHRI DINESH GOSWAMI): (a) Yes, Sir.

(b) It has been decided to allow creation of additional steel making capacity in the private sector with unit capacity upto one million tonnes based on electric arc furnace/energy optimising technologies including small blast furnaces. Entrepreneurs will have the option to decide the plant si/e keeping in view the product mix and technology to be adopted.

**Rise in Government Borrowings and External Debt**

***55.** SHRI MOHINDER SINGH LATHER: DR. BAPU KALDATE:

Will the Minister of FINANCE be pleased to state:

(a) what is the percentage of rise in Government borrowings and total external debt as on date (in foreign exchange);

(b) that percentage of foreign borrowings went towards debt servicing and what percentage of export earnings is used for debt servicing annually;

(c) what are the priorities, if any, for reducing Government expenditure stating the areas identified for the purpose and whether Government subsidies are proposed to be reduced; and

(d) what is the overall picture likely to emerge as a consequence thereof?

THE MINISTER OF FINANCE (PROF MADHU DANDAVATE): (a) and (b) There has been an increase of about 16 per cent in Government borrowings (domestic plus external) during 1989-90 over that of 1988-89. The total external debt outstanding as on 31.3.1990 is estimated to be US $ 46751 million equivalent to Rs. 80132 crores at the prevailing exchange rate. The total debt service payment (i.e. repayment of principal and payment of interest) is estimated to be 21.6 percent of country's exports and gross invisible earnings.

(c) and (d) All Ministries have been advised to make sustained efforts for reducing burden of administrative expenditure and exercise careful scrutiny of all ongoing programmes and schemes. Steps have also been taken to closely monitor expenditure so as to ensure that it does not exceed the budgetary targets. The Government will present to Parliament a review of the budgetary position every four months of the current year.

**Supply of Water to Bangladesh from Farakka Barrage**

*56. SHRI ASHWANI KUMAR: Will the Minister of WATER RESOURCES be pleased to state:

(a) what was the quantity of water released to Bangladesh during the last three years, yearwise from Farakka Barrage;

(b) whether the quantity has been